

CONNECTICUT STATE DEPARTMENT OF EDUCATION
Division of Teaching and Learning Programs and Services
Bureau of Health and Nutrition Services and Child/Family/School Partnerships
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M E M O R A N D U M

TO: Child and Adult Care Food Program (CACFP) Sponsors

FROM: Maureen Staggenborg, Director
Child Nutrition Programs

DATE: August 12, 2004

SUBJECT: **Operational Memorandum #19C-04 and #19H-04
Shared Maintenance Fees Charged by Food Banks**

Some CACFP sponsors and/or institutions receive food and/or administrative supplies from food banks. It has come to the attention of the U.S. Department of Agriculture that procedures used to determine the allowable portion of the shared maintenance fees charged by food banks for donations to institutions and facilities participating in the CACFP are inconsistent.

Food banks charge a shared maintenance fee to outlets receiving the donation to cover the cost for receiving, warehousing and delivering food and non-food items. Most food banks establish the shared maintenance fee on a per item, per pound or per-shipment basis. This fee is treated the same as a commercial supplier's shipping and handling charges. Therefore, the shared maintenance fee associated with the donation of food, food service and administrative supplies used in the CACFP program are allowable costs.

However, food banks also provide organizations with a variety of other items that are not used in the Program. In these situations, it will be necessary to determine the portion of the shared maintenance fee that applies to allowable costs i.e., the food, food service and administrative supplies, used in CACFP and the portion that applies to items not used in the Program.

Guidance on the correct procedures for treatment of the shared maintenance fee for CACFP food bank donations is attached.

If you have any questions regarding this information contact Maureen Staggenborg at 860-807-2070, Susan Boyle at 860-807-2074, Celia Cordero or Benedict Onye at 860-807-2080. Home sponsors may contact Susan Bohuslaw at 860-807-2073.